19 September 1957

MEMORANDUM FOR: Inspector General

SUBJECT   : TSS Comments on our Report

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        1. Dr. ████'s general comments on our report juggle the figures somewhat as was to be anticipated. He concludes that only about ████████ or half of the total TSS expenditures for

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Research and Development were for strictly agent type activities. In arriving at this figure he excludes both ████ Support and Graphic Arts Reproduction totalling about ████████
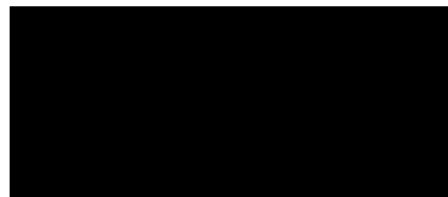
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        2. In pointing out what appears to be a mathematic error in our tabulation, Dr. ████ is not being entirely honest.

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TSS's own Research and Development figure for the period covered in our table is ████████ our table adds up to about this

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same figure. For Dr. ████ to remove approximately ████████ from our table without explaining the discrepancy in terms of his own figures is not entirely forthright. Insofar as I can judge

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at this point, the error in our table comes from the typographical omission of ████████ as a separate category.

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        3. Dr. ████ other complaints in the general section alleging conflicting recommendations simply reveal that he has not read the report carefully. For example, in paragraph 11, he states that the Inspector General recommends that all Agency Research and Development be merged under a Deputy Director. As you well know this was not our recommendation, but for his own purposes he chooses to so construe it.

        4. The actual action taken on the bulk of the recommendations is not too bad although TSS tries to get off the hook in many instances by indicating that "no action is required", which is usually no more than an evasive manner of concurring. On balance I do not believe any useful purpose would be served in undertaking a written reply to this TSS reply. The only point to be remembered, should this matter come up in the Deputy's meeting, is that our table of R&D expenditures concurs in its total with TSS's own figures, and hence, TSS cannot reduce our figures without accounting for the change in an affirmative manner.

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